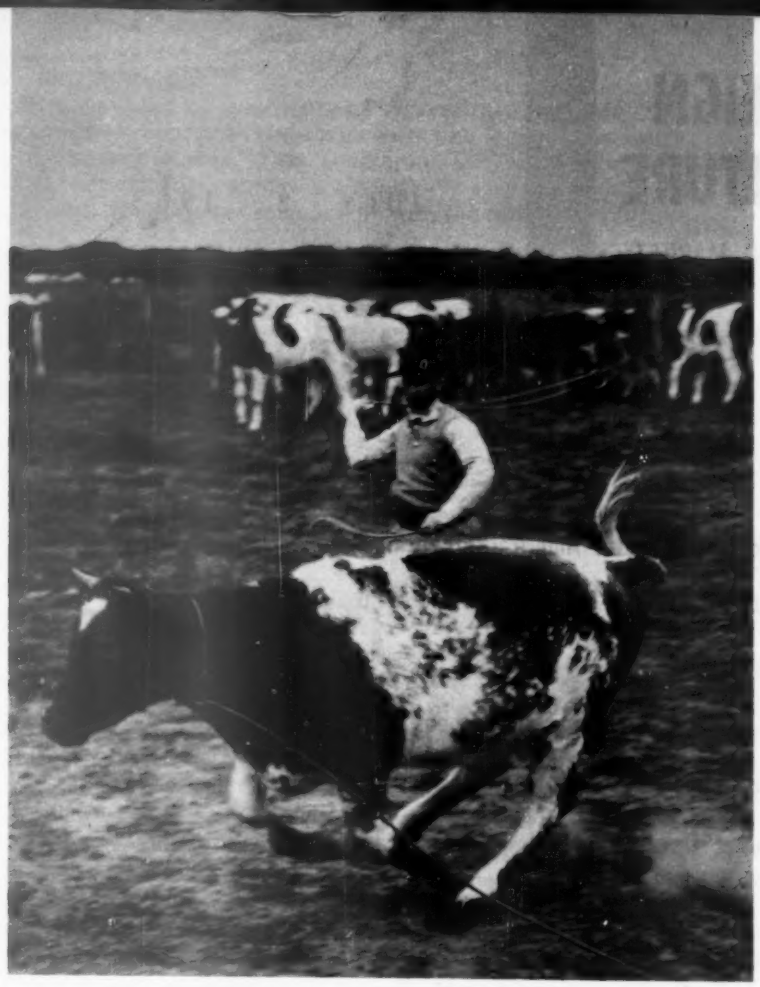

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JULY 8, 1963

REPORT FROM ARGENTINA

MORE COTTON FOR AUSTRALIA

NEW BOMBAY DAIRY

FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

A WEEKLY MAGAZINE OF THE UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE

FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

JULY 8, 1963

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Roping a young steer, Argentina. Beef has long been a major export for Argentina, mainly to the EEC and U.K. (Story on opposite page.)

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Starting with this issue Foreign Agriculture *presents a series of reports on the agriculture and trade of six Latin American countries. Prepared by the U.S. Agricultural Attachés stationed in those countries, the reports give highlights of the current situation and look briefly into the immediate future.*

Report From Latin America: Argentina

By QUENTIN R. BATES
U.S. Agricultural Attaché,
Buenos Aires, Argentina

Argentina, with a land area about one-third as big as that of the Continental United States, has an economy that is largely agricultural. Blessed with a large flat fertile plain known as the Pampas where the climate is moderate and the rainfall generally adequate, the country for the most part is self-sufficient in food, importing only bananas, coffee, and other tropical products in substantial quantities. In recent years, however, industry has expanded fairly rapidly, and this industrial expansion has been financed mainly at the cost of agriculture, especially agricultural exports.

Prior to World War II, Argentine production of grains and oilseeds provided sufficient exportable surpluses to make the country a leading figure in world trade. The war disrupted this trade, and the industrial program of the Peron regime, which sapped from farmers much of their export returns, caused a decline in the production of these traditional export crops.

The policy followed since 1955 has been somewhat more favorable to agriculture, particularly in the last 2 years, but attempts to get farmers to boost output of grain have only been moderately successful and have been hampered by drought. Production of wheat and corn, for example, have only amounted to about half the peak levels reached in the late 1930's. Yields have been more or less stationary, as farmers in general have not found it profitable to incur the added expense of applying advanced technology. Fertilizer, for instance, is little used.

There have been some substantial increases in production of certain nontraditional crops in the past few years, namely, grain sorghums, peanuts, deciduous fruits, and tea. Interest is growing in soybeans but production is small.

Livestock production did not suffer so much during the Peron era as did grain, a large part of which was exported and thus subject to high export taxes. Cattle numbers were built up to a peak of 47 million head in 1956 but declined later with heavy slaughter, reaching a low point of 41 million head in 1959. Numbers have since trended upward but this advance has been stalled by drought.

For the immediate future, prospects are about as follows: The 1963-64 grain crops may rebound sharply from this season's drought-affected levels. At the same time, government efforts to encourage further expansion will be only partially effective unless some of the current problems still affecting agriculture can be overcome; i.e., outmoded transport and marketing facilities, lack of credit,

Argentine wheat, ready for harvest

Sheep ranch in Santa Cruz

the high cost of agricultural inputs. Currently, Argentina has virtually emptied its grain bins and has, in fact, had trouble meeting export commitments for wheat.

Production of both sorghums and fruits is likely to expand further, and a current program in pasture improvement may encourage a considerable rise in beef output.

Foreign trade

Argentina's total exports have totaled about $1 billion a year for a number of years. Of this, about 95 percent is agricultural—principally meat, grain, oilseed products, wool, and hides. The stagnant level of exports has not given the greater exchange returns needed to meet increasing demand for industrial machinery to supply Argentina's growing factories, and, as a result, a rather serious balance-of-payments problem has resulted. Last year though, the devaluation of the peso and fairly good crops brought about a 25-percent rise in export earnings; they reached $1.2 billion, the highest point since the Korean War.

Exports traditionally go to European markets, with the Common Market countries accounting for almost half the 1962 total and the United Kingdom and other European countries, for a quarter. Exports to the United States—mostly corned beef and wool—were less than $100 million whereas imports from the United States were almost $400 million. Because of the importance of the Common Market, Argentina is, of course, quite concerned with its policies, particularly as they affect beef and grain.

Lately Argentina has attempted to strengthen trade with some of its newer markets, but none of these so far have become very important. A sizable market for beef has been developed in Spain. Trade with the Communist Bloc has been mainly in hides and occasionally wool and linseed oil; and in 1962 Communist China purchased large amounts of Argentine grain for the first time. Argentina may have some success, though limited, in diversifying its markets as the developing countries establish sounder economies and thus are able to increase their imports of meat and grain. It is also hoped that the relaxation of U.S. restrictions on cooked meat early this year will permit expansion of that market.

Argentina is a member of the Latin American Free Trade Area (LAFTA), but this is not expected to have much effect on exports as a number of the member countries have already given preferential treatment to some of its export commodities. Shipments to all Latin American countries in 1962 were $164 million, going mainly to Brazil, Chile, and Peru. In the case of Peru there was a sizable growth in the live cattle and beef trade.

Policy changes

There seems to have been a noticeable awakening in government circles during the past 2 years that Argentina is going to have to take necessary measures to revive its agriculture if, through its exports, the necessary exchange returns are to be forthcoming to meet industial needs. This point was brought home very sharply by the $500-million trade deficit in 1961. The government, however, has experienced difficulty in removing taxes on export commodities because of the large deficits in the internal budget (caused mainly by the heavy losses incurred by the railroads and other enterprises), and measures taken so far to reduce this drain on the treasury have been rather ineffective.

On the credit side are the foundations of a good research and extension system which have been laid and which should encourage the adoption of improved farming methods, provided the cost-price relationship is favorable. The government also plans to utilize foreign loans to develop roads and market facilities. Unless there is some change in economic thinking when Argentina's new government takes office in October, these policies are expected to continue, bringing agriculture back into focus again.

Australia Expects Boost in Cotton Output

Use of modern irrigation methods may bring about a "Cinderella" transformation in Australia's traditionally poor-quality cotton crop.

By WILLIAM L. RODMAN
U.S. Agricultural Attaché
Canberra, Australia

Successful production of irrigated cotton, conducted in two areas of Australia, has encouraged Australian officials to predict that within 5 years the country's annual output will reach 60,000 bales. This production would be almost seven times its present size, making Australia far less dependent on imports.

The domestic crop currently supplies about 9,000 bales of the 95,000 bales consumed annually by local mills. Imports from the United States, the major supplier, will this year again be in the neighborhood of 60,000 bales—an amount equivalent to its future goal.

Cotton has never been an industry of major importance in Australia, though its commercial production has a 100-year history, with aid from the government over a third of this time. Farmers have found the soil and weather more suitable for livestock and grain, and the textile industry—required to use the country's low-quality production—has concentrated on toweling, canvas, and similar products, manufacturing almost no piece goods.

Most of Australia's cotton has been grown on small, dryland, family farms in Queensland and often as a sideline to other types of agriculture. In 1959 and 1960, nearly 70 percent of all cotton growers planted 25 acres or less and only 3 percent planted 150 acres or more.

The Australian grower has historically relied on government assistance. The Commonwealth Government has paid $5.6 million in bounties since 1927. Payments in 1960 and 1961 amounted to about 45 percent of a grower's gross return from the sale of seed cotton based on the 5-year government guaranteed price program of 14 pence per pound (roughly 31c per pound of lint) begun in 1959. As that price is paid at the nearest rail point, transportation costs to the only operative gins at the time were in effect subsidized as well.

Two research station technologists set up a portable trap that will establish the insect count in a plot of new cotton.

The cotton textile industry in Australia was established in 1920 and has developed steadily under the protection of import duties. It has provided a ready market for domestic cotton even though much of it has been of poor quality and even unspinnable for regular mill uses, since the tariff on imported cotton is waived by the government provided the entire Australian crop is purchased first.

Over the years, cotton growers have had to contend with a multitude of problems. Although water and land are available at only 10 to 20 percent of U.S. prices, machinery, fertilizer, and insecticides cost about twice as much as in the United States. Output is also hindered because of insufficient research available on breeding, production, and harvesting practices. There is a lack of the necessary supporting marketing structure, as well. In the face of these obstacles, it is not difficult to understand why farmers—who are often reluctant to invest in a new crop anyway—have failed to invest in cotton.

Two sections of Australia, however, are being prepared to meet the challenge these problems have created. Several farmers, among them some from California, are now growing irrigated cotton in the Wee Waa-Narrabri area of New South Wales and some other private growers, who are running the State Government's five experiment farms in the Ord River area of Western Australia, are preparing to plant about 1,000 acres of cotton this November.

Yields as high as 3,000 pounds of seed cotton per acre have been produced in the Wee Waa district and the cotton was well received by the mills as to quality. Currently, 1,200 acres of cotton are under cultivation in the district but plans are to increase to 4,000 acres next season and to about 15,000 acres within the next few years.

To stimulate production in the area, a cooperative cotton gin valued at $248,000 was opened in Wee Waa in May and is designed to handle the yield of up to 5,000 acres. The State Government guaranteed $135,000 of the investment and local banks, a further $68,000.

Large-scale development in the Ord River area will also be possible in the near future. Completion of the Bandicoot Bar Weir will permit up to 15,000 acres of cotton to be grown in the Ord Valley. The irrigation potential in the region is expected to be at least 200,000, much of

which would be suitable for cotton. Experimental yields have amounted to 2,200 pounds of seed cotton per acre.

The State is also backing the construction of a gin in the Ord River area. The main problem to be overcome once it is established, however, is the remoteness of the crop from consuming establishments. There is little transportation from that region to the manufacturing and population centers along the southeastern coast and rates are 2 to 3 times those for ocean transportation on imported cotton.

A third area where production of irrigated cotton is beginning in the Murrumbidgee-Murray region in New South Wales. Further variety research is needed to overcome marginally low temperatures in that area before cotton yields will make cotton competitive on a large scale with other uses for the relatively expensive land there.

In summary, it appears that cotton production in Australia will definitely expand significantly within the next few years especially in the Wee Waa-Narrabri area of New South Wales. Production and marketing costs will tend to inhibit a rapid expansion in the more remote regions unless heavily subsidized.

West Germany Sees Uncertain Farm Future

West Germany's uncertainty over the effect that the Common Market will have on its agricultural future is reflected in the nation's "Green Plan"—the government's annual response to German farm problems.

The 1963 plan has called for an appropriations increase of only 3.7 percent, an indication that the West German Government is attempting to preserve the status quo until it can evaluate the full impact of the European Economic Commission's Common Agricultural Policy.

The 1963 Green Report

The "Green Plan" of agricultural assistance is based upon a statement submitted annually to Parliament called the "Green Report," a summary of current agricultural conditions. On February 8, 1963, the eighth Green Report was submitted, describing West German agriculture during 1961/62 as being a year dominated by very poor grain and root crop harvests, with a resulting decline in revenue. This loss further increased the disparity between farm and nonfarm income—the government's single most important agricultural problem.

The report revealed a labor shortage which has continued, even though a movement from agricultural to nonagricultural occupations in 1961 proceeded at a lower rate than in previous years. In Northern Germany, the situation was so serious that the partial use of the army at harvest time was necessary.

Cash receipts from farm marketing increased only $73 million in 1961/62, compared with an annual average increase of $225 million during the previous 9 years, while farm expenditures during 1961/62 increased 4 times, or $300 million.

For the first time in recent years gross farm investment remained at practically the same level as in 1960/61—a situation caused in part by a degree of mechanical satiation, lower profits, and the reluctance of farm managers to invest more capital when faced with the uncertainties of future German agricultural policies.

A survey revealed that in 1961/62 the disparity between farm and nonfarm incomes was 38 percent—a higher figure than in any of the past 7 years—compared with 26 percent in 1960/61. Without the direct subsidization of the Green Plan, however, the 1961/62 disparity would have been an estimated 51 percent. Even with present subsidies, the government would have to triple the amount of the Green Plan to close the existing gap.

Other methods of farm support include the various market laws, some of which have been superseded by EEC market orders and measures of trade protection. Before the EEC's Common Agricultural Policy (CAP) was put into effect, about three-fourths of Germany's domestic farm output was protected by quantitative controls. Now a large portion of Germany's products—wheat, wheat flour, feed grains, poultry, eggs, live hogs, whole hog carcasses, fruits, vegetables, and wine—are subject to CAP controls, although some of them still maintain escape clause action, and, in some cases, import licenses as well as variable import levies and/or minimum import prices.

The German Government is committed by law to take no measures that would reduce farm incomes. Therefore, if some EEC regulations tend to hurt German agriculture, the government is obligated to counteract those losses with other protective measures. Thus, West Germany is exchanging one form of protection for another.

The Green Plan

Germany's proposed Green Plan provides for an outlay of $527.5 million for agriculture in 1963 compared with $502.5 million in 1962. (These figures do not include the carryover of approximately $29.5 million from 1962 and the $34.5 million allotted in 1963 for programs under the 1962 Green Plan. These are continuing outside the 1963 Green Plan.) In addition, the West German Parliament Budget Committee has suggested a supplementary fund of $50.6 million in aid for additional subsidies.

The government has forecast that 1962/63 will see some slight improvements. It expects an increase in net cash receipts of $222 million over 1961/62. Farm-nonfarm income disparity should be smaller, but is not expected to drop to the 26-percent level of 1960/61. In spite of the need to close this widening gap, no significant increases in support prices are planned during 1962/63 and only a modest increase in "Green Plan" direct subsidies is proposed. This is another indication that Germany's agricultural policies will probably remain static until EEC policies can be fully clarified.

The Worli dairy, just completed in North Bombay with the assistance of funds from UNICEF and PL 480, is one of the largest milk processing plants in the world. Future additions include a public restaurant, clinic, community center, and playground.

India's Most Modern Dairy Opens at Worli

The completion of the Worli dairy plant in northern Bombay this past May marks a stride forward in assuring Bombay City and surrounding areas an adequate supply of clean, wholesome milk. This modern plant, together with the Aarey dairy, are the mainstays of the Bombay Milk Scheme, an ambitious program begun in 1950 to modernize the city's milk handling system.

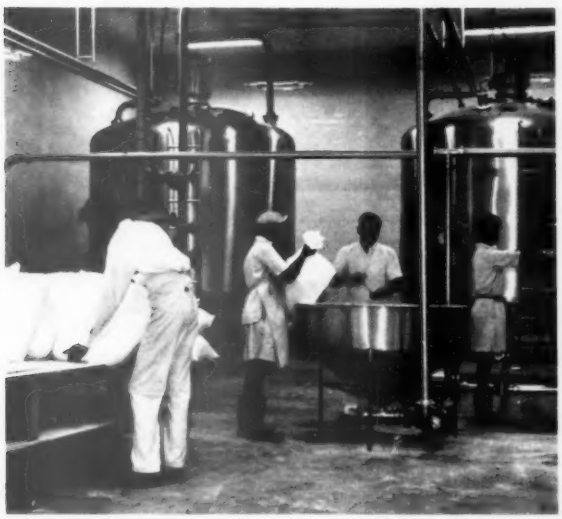
The Worli plant was built by the State of Maharastra at a cost of 13 million rupees, of which UNICEF contributed 8 million. Five million came from funds generated in India through U.S. sales of foodstuffs under Public Law 480. UNICEF (United Nations Children's Fund) will be repaid in the form of free milk to school children and subsidized milk to needy families.

All modern facilities have been installed at Worli to safeguard milk handling. They include equipment for pasteurizing, cooling, and homogenizing whole milk, and machinery for mixing dry skim milk powder, water, and high-fat buffalo milk to produce "toned milk" a relatively cheap but nutritious product designed to stretch Bombay's milk supply. Everything is mechanized—in sharp contrast to the time when milk came from cows, buffaloes, and goats kept in small sheds throughout the city and milked on the spot for the customer.

Demand for milk has been increasing in Bombay, as has its population. Officials of the Dairy Development Department estimate that the scheme is now supplying milk daily to 150,000 school children, 308 hospitals and institutions, and 2.5 million consumers. More production is foreseen when Aarey facilities are renovated.

—ROBERT B. EVANS
U.S. Agricultural Officer, Bombay

Workmen dissolve powdered milk to make "toned milk." Milk is supplied below cost to low-income families.



Those who can afford it buy bottled whole milk from one of the 1,500 depots run by the Bombay Milk Scheme.

Pakistan's Carpet Wool a Top Export In Steady Demand by U.S. and U.K.

The carpet wool of Pakistan ranks as a major export commodity; it provided some $14 million in foreign exchange during 1961-62. Yet, paradoxically, wool in Pakistan is considered now—as it has been for centuries—only a byproduct of sheep-raising. The animals are kept primarily for their meat. This perhaps explains both the nature and the limitations of the wool industry in Pakistan.

Little attention is given to production methods, management, and quality. Most of the wool output of some 30 million pounds a year is produced by nomads' sheep, ranging on unimproved semiarid land as availability of feed and water dictates. Although there is no accurate count, sheep numbers are estimated at about 7 million, nearly all in West Pakistan and nearly all of coarse-wooled, unimproved native types that yield around 4 pounds of wool annually.

Most of the wool output is exported, and demand abroad is good. The United States leads as a market with the United Kingdom in second place. These two countries normally account for over 90 percent of Pakistan's wool trade. Exports are controlled under the Wool Grading Scheme; consignments may be shipped only after receiving a test certificate indicating that they contain at least 70 percent clean wool fiber and not more than 5 percent vegetable matter.

At the time of partition, there was only one woolen mill in the area now known as Pakistan. In November 1953, the Harnai and Bannu mills began the production of barracks blankets, carpet yarn, and yarn for tweeds and other fabrics. A third mill, opened at Quaidabad in 1956, produces chiefly barracks blankets for the army. However, much of the output of blankets and carpets is still produced by the cottage industry.

There is considerable potential for improvement in both the quantity and quality of the wool, as some experimental and demonstration work in the management of range land has shown; but the immediate outlook is not promising. Lack of feed and lack of water are the two principal barriers to improvement. Others are internal parasites, primitive management practices among nomads, and the lack of organized sheep-shearing centers and wool markets.

H. R. VARNEY
U.S. Agricultural Attaché, Karachi

Above left, Pakistani sheep are being sheared by their nomad owners; above right, a cottage industry worker is spinning the wool into yarn.

Left, sheep gathered for watering. The dusty landscape illustrates two of the chief problems of the wool industry: lack of water and shortage of feed.

Commercial Firms Now Renting Booths At U.S. Food Exhibition in Amsterdam

Amsterdam fair symbol

The USDA has announced it is accepting applications for rental of commercial booth space at the U.S. Food and Agriculture Exhibition to be held in Amsterdam, Netherlands, November 7-24.

Previously, the Department had invited participation by U.S. food firms in the self-service American-style food store—another main feature of the Amsterdam Exhibition.

An area of 30,000 square feet has been set aside where interested American food firms and European affiliates may mount commercial displays to promote U.S. agricultural products. Commercial exhibitors, their associates and guests, will also have access to a trade-conference area nearby. The booths covering about 100 square feet may be rented singly or in multiples.

The Amsterdam show will be the largest and most widely promoted exhibition of American foods ever presented in Europe. A promotional campaign is already underway in 15 European countries.

Besides the commercial booths, the Exhibition will feature U.S. agricultural commodity demonstrations, a new documentary motion picture, an exhibit of European products exported to America, and entertainment attractions. A week-long food and agricultural symposium during the Exhibition will bring together government, business, agricultural, consumer, and food trade leaders from both Europe and the United States.

Space rental application forms for exhibit booths may be obtained by writing to: International Trade Fairs Division, Foreign Agricultural Service, the USDA, Washington 25, D.C.

Photo, E. Bradley Davis

Cotton Queens Lunch At Tokyo Trade Center

Thirteen "Miss Cottons" of Japan line up for western-style sandwiches at the U.S. Trade Center in Tokyo. Using flour milled from U.S. wheat, a Japanese bakery made the barbecue rolls and sandwich bread. The sandwich promotion was sponsored by the USDA and Western Wheat Associates.

The Miss Cottons — representing Japan's 13 leading cotton-spinning districts—were in town for the opening of annual Cotton Week, presented by the Japan Cotton Promotion Institute in 23 Japanese cities.

"Pasta Buses" Ply Brazilian Marketplaces

Great Plains Wheat and FAS have announced plans to expand their successful pasta promotion program in Brazil by adding four more "pasta buses."

Like the first unit—operating in Sao Paulo since late 1961—the new buses will be staffed by home economists who will tell Brazilian homemakers how to cook pasta (macaroni or spaghetti) and hand out samples and recipes. The buses will frequent food fairs and public squares.

Pasta products in Brazil are growing in popularity—their low cost has helped boost consumption.

The Sao Paulo State Pasta Producers Union, a foreign cooperator, will share operating costs.

U.S. Agricultural Officer Garth Thorburn inspects "pasta bus" in Sao Paulo. Legend says eat pasta, fruits, dairy foods, meat twice a day for good health.

U.S. Trade Groups See Favorable Results From Spring Showing at London Center

Follow-up reports on the fourth U.S. agricultural exhibition at the London Trade Center in April indicate good results in behalf of U.S. exports to the British market.

The show — spotlighting foods, feeds, and seeds—drew some 1,400 persons, including U.K. scientists, technicians, importers, processors, and merchandisers. Besides the exhibits and demonstrations, 16 technical conferences, 6 principal trade receptions, and 5 dinner meetings were held. Representatives of U.S. cooperating groups also went to Dublin, Belfast, Manchester, and Liverpool to consult with buyers of U.S. farm products.

Evaluating the London show, a spokesman for the U.S. dried bean, pea, and lentil industry said: "A quick check of the lists of prospective customers in our own portfolios revealed that we did not have a single U.K. firm that was not represented at one of the special trade events."

The U.S. Rice Council reported: "Very satisfactory results have been obtained from this, our first series of cookery demonstrations of U.S. rice held to seated audiences."

The California Prune Advisory Bureau said its press reception was the largest held by the Bureau to date, attended by no less than 130 top editors and columnists.

"Great success was achieved in attracting leading representatives of the most important British companies to attend," according to a member of the U.S. seed industry.

A U.K. journalist wrote that the pertinent discussions following the speeches at the Feed Show helped to crystallize the main points of the material presented as they applied to British conditions and requirements.

Along with favorable comments, a few participants submitted recommendations for changes in their next showing at the Trade Center. Organizers of the Feed Show said conferences not held in London must be far enough away to attract larger audiences. Top feed personnel in Liverpool, for example, went to London rather than to Liverpool meetings.

Cooperators who used the demonstration kitchens at the Center believed a greater time interval must be allowed between food demonstrations. This year each commodity competed for the same audience.

U.S. pulse industry representatives felt a general trade reception should kick off their program. U.S. technicians could in this way make more trade contacts than by staffing the special exhibits and displays.

Record U.S.-India Cotton Barter Agreement Signed

Secretary of Agriculture Orville L. Freeman announced last week an agreement providing for a record-breaking barter of cotton and possibly other U.S. agricultural commodities for strategic materials from India.

The agreement was signed by Secretary Freeman and B. K. Nehru, Indian Ambassador to the United States.

Up to 300,000 bales of cotton and possibly other Commodity Credit Corporation-owned commodities will be exported to India in exchange for materials (Indian manganese ore, beryl ore, and mica) valued at about $40 million. At least 90 percent of the U.S. exports will be of cotton.

It is anticipated that most of the ore processing will be done in U.S. labor-distressed areas, thus helping to maintain employment and the mobilization base.

"This is the largest bilateral barter transaction ever negotiated between the United States and another country," Secretary Freeman said.

"Since India is short of dollars to buy our farm products in the world market, this barter project makes such purchases possible through payment in raw materials produced in India which are economical to store, nondeteriorating, and of which the United States is a net importer."

Good Advice Offered On Selling in Japan

Japan offers a large sales potential for many U.S. agricultural products, but exporters will have to take a fresh approach when breaking into the Japanese market, according to Katsunari Toyoda—marketing specialist for the Institute of American Poultry Industries.

Exporters going to Japan should allow enough time to explore and understand Japanese business practices. As Mr. Toyoda explained: "In Japan business relationships develop slowly and you have to proceed on a personal basis. You have to know your customers first."

One means to establish contact would be to visit the United States branch offices of Japanese trading companies.

"Though it might take a while to make a good contact, once made it will last. Recommendation by these trade representatives to their Japanese headquarters to buy your brand is a very strong help," Mr. Toyoda said.

He cautioned exporters not to be discouraged if their correspondence to Japanese importers goes unanswered, but to keep sending promotional material. The language barrier is still a problem and even in large trading companies one man may handle all the English correspondence. Thus, the foreign mail most easy to deal with often receives priority.

Unlike the European trade, Japanese importers are unfamiliar with the terms used to describe new products on an export list. For instance, just listing poultry parts—necks, thighs, broilers, or roasters—means little to the Japanese trader.

"The man on this end reading your letter has to consult the dictionary to understand and these definitions alone do not help to sell the taste and other outstanding features of your product," Mr. Toyoda said. He recommends exporters send a catalog or color pictures and samples of the package as it will appear in retail outlets. And if the exporter is selling a particular brand, price and other specifics should be stated.

EEC, U.K. To Suspend Import Duty on Tea

The EEC and the United Kingdom have agreed to eliminate import duties on bulk tea, mate, and tropical woods, effective September 1, 1963. This suspension will remain in force until December 31, 1965. The EEC also will lower, at that time, its common external tariff on packaged tea to 5 percent ad valorem.

At present, the EEC's common external tariff is 18 percent on bulk tea and 23 percent on tea in packages of 3 kilograms (6.6 pounds) or less. Tea imported into the United Kingdom currently is subject to a full rate of 2 pence (2.3 U.S. cents) a pound, but is imported duty free from Commonwealth countries.

Tea imported into the United States is not subject to duty, being bound "Free" in GATT, July 1948.

Italy Authorizes More Sugar Imports

The Italian Government has authorized the importation of 100,000 metric tons of sugar in addition to the 150,000 tons previously authorized. This action was announced on June 5 by a special sugar committee, *Comitato Interministeriale per Lo Zucchero (CIZ)*, which was created last month to evaluate the situation. On June 12 the Ministry of Foreign Trade announced the importation —from any source—of beet or cane sugar from June 14 through July 13, 1963. Italy consumes about 1.2 million tons of sugar yearly, but normally imports only 25,000 tons.

In addition to two Russian shipments of sugar, and one from Hungary, a Yugoslavian ship loaded with 88,400 sacks of unrefined sugar (about 10,000 metric tons) from Cuba reportedly arrived at Naples June 7. The sugar is to be used in southern Italy after being refined at plants in Latina and Foligno.

The EEC Commission granted approval for initial importation of duty-free sugar in the amount of 130,000 tons from all non-EEC countries and 20,000 tons from EEC countries. An Italian Ministerial Decree of May 14 established the authorization for the duty-free importation of that amount of sugar through June 30, 1963.

Denmark Restricts the Export of Sugar

In an effort to maintain normal exports of sugar and sugar-containing products, Denmark has placed exports of these products on an export license basis.

Since the world market price for sugar has risen above the price fixed for domestic consumption, this measure is necessary to prevent drain on stocks used for sugar and sugar-containing products leaving the country.

Stocks on hand January 1, 1963, were about 240,000 short tons as against 290,000 on January 1, 1962—a decline of 50,000 short tons.

At the present, no sugar may be taken out of the country by tourists from neighboring countries. The object of the restriction is to prevent undue speculation and to protect the Danish industry that produces sugar and sugar-containing items for export.

EEC Imports More Cocoa Beans

Imports of cocoa beans into the EEC during 1962 totaled 360,884 metric tons, 5 percent above the previous year and 22 percent higher than in 1960. African Overseas Territories of the EEC (mainly the Ivory Coast, Cameroon, and Togo) supplied 36 percent of the total. Other major suppliers were: Ghana (32 percent), Nigeria (18 percent), and Brazil (5 percent).

West Germany is the largest importer of the Six, followed by the Netherlands, France, Italy, and Belgium-Luxembourg. The EEC usually accounts for one-third of world cocoa bean imports, and it, the United States, and the United Kingdom combined make up three-fourths of the world market for cocoa.

EEC'S IMPORTS OF COCOA BEANS, 1960-62

EEC	1960	1961	1962
	Metric tons	*Metric tons*	*Metric tons*
West Germany	113,529	125,475	136,980
Netherlands	83,564	109,140	103,180
France	56,667	59,178	69,225
Italy	28,036	36,008	36,803
Bel.-Lux.	14,459	14,748	14,696
Total	296,255	344,549	360,884

Tanganyika Raises Export Tax on Sisal

A new graduated export tax on Tanganyikan sisal was announced June 11, 1963. Tanganyikan officials expect this new tax to raise about $6.3 million, to be used for a major development program.

The previously existing tax of 5 percent, which became effective December 1, 1962 (See *Foreign Agriculture Circular* FVF 1-63), will be retained on sisal sold at $210 to $280 per long ton (of 2,240 pounds), but the rate on higher priced sisal is graduated from 10 percent on sisal sold at $308 to 20 percent on that sold at $350 per ton.

Tanganyika is the major producer and exporter of sisal, accounting for 35 percent of world production in 1962. Tanganyikan prices usually influence prices in other countries. Presently, the demand for sisal is strong, and during the first part of 1963, this fiber's price has been the highest since the 1950-52 peak.

The price of East African sisal No. 1, landed New York, rose from a postwar low average of 9.4 cents a pound in 1957 to 12.7 cents in 1962. In the first part of 1963, the average price was 16 cents in January, 16.6 cents in February, and 18.1 cents in March; however, it remained at about the March level through April, May, and June as purchases leveled off.

The value of U.S. imports of Tanganyikan sisal amounted to between $4.2 million and 4.4 million in 1962.

Brazil Sets Coffee Regulations

Brazil has announced its coffee regulations for the 1963-64 year (July-June). They became effective July 1. The contribution quota for the 1963-64 crop has been set at $19 per 60-kilogram (132.3 lbs.) bag. This quota was $22 for much of the 1962-63 year but is now $26 for that and earlier crop coffees.

The IBC (Brazilian Coffee Institute) has also issued several resolutions which regulate the financing, exporting, coffee-stock limits in ports and which readjust the contribution quota for crop years 1961-62 and 1962-63.

Purchase prices for coffee in the interior for 1963-64 are somewhat higher than they were for 1962-63. These purchases are to be halted on March 31, 1964. Starting April 30, coffees will be bought by the IBC in ports at the same price as that paid during January/March in the interior.

Canned Fruit and Juice Prices in Netherlands

Importers' selling prices in the Netherlands (import duties and taxes paid) of selected canned fruit and juices in June 1962, January 1963, and May 1963 compare as follows:

Types and quality	Unit	Price per dozen units: June 1962	January 1963	May 1963	Origin
CANNED FRUIT		*U.S. dol.*	*U.S. dol.*	*U.S. dol.*	
Apricots:	*Cans*				
Halves, choice	8 oz.	1.69	1.96	1.96	U. S.
Halves, standard	303	2.42	(1)	2.49	U. S.
Peaches:					
Halves, choice	2½	4.18	3.98	4.04	U. S.
Halves, choice	2½	(1)	(1)	3.65	Greece
Halves, white	15 oz.	2.85	2.85	2.85	Japan
Pears:					
Halves, standard	2½	5.14	4.18	4.18	U. S.
Halves, standard	14 oz.	(1)	2.29	2.15	Italy
Fruit cocktail:					
Choice	2½	4.71	4.38	4.51	U. S.
Choice	303	3.12	2.88	2.95	U. S.
Choice	8 oz.	1.79	1.72	1.77	U. S.
Mandarin oranges:					
Fancy, small	11 oz.	2.52	2.65	2.65	Japan
Pineapple:					
Sliced, fancy	2½	5.27	5.30	5.30	U. S.
Sliced, choice	2½	4.21	4.34	4.18	U. S.
Sliced, standard	2½	3.91	4.04	3.91	U. S.
¼ sliced, choice	20 oz.	2.55	2.49	2.39	Taiwan
Pieces, choice	20 oz.	(1)	2.29	2.29	Taiwan
CANNED JUICE					
Orange:					
Unsweetened	2	2.06	2.06	2.49	U. S.
Unsweetened	2	(1)	(1)	2.32	Israel
Unsweetened	2	(1)	(1)	2.25	Greece
Pineapple:					
Fancy	211	1.24	1.24	1.24	U. S.
Fancy	2	1.72	1.72	1.72	U. S.
Fancy	46 oz.	(1)	(1)	3.55	U.S.

[1] Not quoted.

Japan Buys Turkish Leaf Tobacco

The Japanese Tobacco Monopoly has reportedly purchased 1.5 million pounds of leaf tobacco from Turkey. Of this total, 1.1 million pounds were American grades, varying from the equivalent of 87.5 to 88.5 U.S. cents per pound and the remainder, B-Grades, ranging from 70.3 to 71.7 cents per pounds. After the conclusion of this sale, Turkish merchants are reportedly hopeful that U.S. buyers, who insisted on a price no higher than 70.3 cents for American grades, will pay higher prices.
(*Ticaret* [Journal of Commerce], Izmir, May 13, 1963.)

Belgian Tobacco Imports Lower in 1962

Belgian imports of unmanufactured tobacco totaled 60.2 million pounds in 1962, compared with 66.4 million in 1961.

Imports of U.S. leaf in 1962, at 14.9 million pounds, were 14 percent below the 17.4 million for 1961. The U.S. share of the Belgian market was 24.8 percent in 1962, compared with 26.3 percent in 1961. Purchases of Rhodesian leaf, at 5.8 million pounds, also were below those for 1961. Imports from Brazil, India, Paraguay, Indonesia and Turkey were larger last year than in 1961, but these increases were more than offset by drops in purchases of leaf from other suppliers.

TOBACCO, UNMANUFACTURED: BELGIUM,[1] IMPORTS BY COUNTRY OF ORIGIN, 1960-62

Country of origin	1960	1961	1962
	1000 pounds	*1000 pounds*	*1000 pounds*
United States	17,617	17,449	14,939
Rhodesias-Nyasaland	7,339	6,656	5,813
Brazil	4,625	4,398	4,598
India	2,463	2,619	4,457
Dominican Republic	3,948	4,045	3,867
Greece	4,325	3,970	3,341
Paraguay	2,487	2,928	3,174
Netherlands[2]	3,161	4,244	3,161
Indonesia	2,352	2,356	3,068
Turkey	1,561	121	2,302
Philippines	981	1,133	1,261
Italy	1,199	1,221	1,024
Argentina	1,825	1,283	871
Japan	511	606	503
Others	10,137	13,398	7,583
Total	64,531	66,427	60,162

[1] Includes Luxembourg.
[2] Re-exports.

Rhodesian Flue-Cured Prices Break

The average price of 1963-crop flue-cured tobacco sold at Salisbury, Southern Rhodesia, for the week ending June 13, 1963 (the 14th week of sales), was equivalent to 55.6 U.S. cents per pound. The seasonal high was 60.4 cents during the 12th week of sales, ending May 30, 1963, and the price for the 13th week, ended June 6, was 57.4 cents.

Total sales through the 14th week amounted to 118.1 million pounds, at an average price equivalent to 48.6 U.S. cents per pound. Sales last year for the same period totaled 122.8 million pounds, at an average price of 44.0 U.S. cents.

Bulgaria's Tobacco Exports Down

Bulgaria's exports of unmanufactured tobacco declined for the second consecutive year through 1962 from the 1960 high of 153 million pounds. Unofficial estimates indicate that Bulgaria's exports last year totaled about 132

million pounds—down slightly from the previous year's level of 135.2 million.

Shipments to the USSR were estimated at 66 million pounds, compared with 65.3 million in 1961 and 75.5 million in 1960. Exports to East Germany amounted to about 24 million pounds—up substantially from the 16.6 million in 1961 but slightly under the 24.9 million in 1960. Shipments to West Germany approximated the 14 million pounds for 1961, while exports to Poland were slightly above the 10.6 million pounds shipped during the previous year.

Cigarette output during 1961 reportedly totaled a record 33.8 million pounds—up significantly from the 30 million produced in 1960 and the 1955-59 annual average of 26.4 million. (*Fedetab*, No. 4, April 1962).

Pakistan's Cigarette Output Up

Cigarette output in Pakistan during 1962 totaled 13.7 billion pieces—up 13.5 percent from the 12.1 billion produced in 1961. Production in West Pakistan last year amounted to 10.5 billion pieces, compared with 10.1 billion in 1961. Output in East Pakistan totaled 3.2 billion pieces—up substantially from the 2 billion produced during the previous year.

Average retail prices of Capstan Navy Cut and Scissors brands of cigarettes in Karachi during March 1963 were equivalent to 19.1 and 7.1 U.S. cents per package of 10, respectively. During the last quarter of 1962 these brands averaged 13.0 and 6.3 cents per pack.

Israel Is Importing Calves

The Jewish Settlement Department Agency imported 2,800 calves from the Netherlands and Yugoslavia last year for fattening and slaughter in Israel, and another 2,000 will be imported soon for the same purpose. If the results continue to be successful, 3,000 more will probably be imported in the near future. These calves will be distributed to the hill region and Negev settlements where the livestock industry of Israel is undeveloped.

The imported calves are 5 to 6 months old with average weights of 396 pounds. After they develop and fatten, the calves are sold within a year at an average weight of 1,100 pounds.

The Settlement Department is also planning a trial shipment of 200 calves from Germany soon.

Argentina Exports Chilled Lamb by Air

In June Argentina made its first air shipments of chilled lamb carcasses to France. A total of 164 were shipped, and further shipments will soon be made.

The same firm has been shipping special cuts of beef by air freight to European markets during the past year, mainly for the hotel and restaurant trade. Jet travel has facilitated this trade as the meat has very short in-transit time and arrives in good condition. Air freight rates are competitive as there is normally considerable vacant space on European flights.

Australian Meat Moves to the U.S.

Five ships left Australia the first week of June with 19,835,200 pounds of beef, 2,517,760 pounds of mutton, 190,400 pounds of lamb, and 91,840 pounds of variety meats for the United States.

Ship and sailing date	Destination[1]	Arrival date	Cargo	Quantity
	West Coast:			
Ragna Bakke, June 4	Seattle	July 25	Beef	392,000
			Mutton	6,720
	Portland	29	Beef	300,160
	Los Angeles	Aug. 6	Beef	663,040
	San Francisco	10	Beef	255,360
			Mutton	11,200
Parrakola, June 7	Los Angeles	June 25	Beef	1,498,560
			Mutton	100,800
			Var. meat	33,600
	San Francisco	July 3	Beef	1,223,040
			Mutton	33,600
	Seattle	10	Beef	629,440
			Mutton	15,680
Sonoma, June 8	Los Angeles	June 26	Beef	571,200
			Mutton	71,680
			Lamb	38,080
	San Francisco	29	Beef	203,840
			Mutton	22,400
	Seattle	July 5	Beef	156,800
	Portland	15	Beef	100,800
	Eastern and Gulf Ports:			
Hebe, June 5	Philadelphia	July 3	Beef	439,040
			Mutton	336,000
	New York	5	Beef	4,867,520
			Mutton	145,600
			Lamb	33,600
			Var. meat	24,640
	Boston	9	Beef	694,400
			Mutton	98,560
			Var. meat	4,480
Northumberland, June 6	Tampa	5	Beef	828,800
			Mutton	228,480
			Var. meat	6,720
	Charleston	7	Beef	486,080
			Mutton	356,160
			Var. meat	22,400
	Norfolk	9	Beef	329,280
			Mutton	232,960
	Philadelphia	11	Beef	1,039,360
			Mutton	396,480
			Lamb	53,760
	New York	16	Beef	4,130,560
			Mutton	403,200
			Lamb	31,360
	Boston	24	Beef	1,025,920
			Mutton	58,240
			Lamb	33,600

[1] Cities listed indicate location of purchaser and usually the port of arrival and general market area, but meat may be diverted to other areas for sale.

Canada's Wool and Lamb Support Prices

The Canadian Ministry of Agriculture has announced its 1963-64 wool and lamb price support program.

Basic grades of wool will be supported at C$.60 (U.S. $.56) per pound by means of a deficiency payment. If the average market price is below this support level, producers will be paid an amount equal to the difference between the support price and the average combined market price (f.o.b. Toronto) for the two basic grades—Western, Range Choice, half blood staple; and Eastern Domestic, quarter blood staple. This is the same program that was in effect last year.

For lamb prices, the government has set supports at C$18.80 (U.S. $17.44) per 100 pounds. Deficiency pay-

ments will be made for Choice and Good grade lambs ranging in weight from 36 to 56 pounds, carcass weight. As with wool, payments will be based on the amount by which the national average price received by producers falls below the support level.

In the first quarter of the 1962-63 marketing year, lamb prices were supported by a government offer-to-purchase program; however, prices remained above support levels and no purchases were made. For the last 9 months of the year the deficiency payment program was used, but prices averaged C$19.50 (U.S. $18.09) per 100 pounds and no payments were made.

New Zealand Meat Shipments to the U.S.

Five ships are scheduled to leave New Zealand during July and early August with 26,432,000 pounds of meat for the United States—21,728,000 pounds for the East Coast and 4,704,000 for the West Coast.

Ship	Sailing date	Destination	Quantity
			1,000 pounds
Port Lincoln	July 27	East Coast	8,288
Sydney Star	Aug. 3	East Coast	13,440
Monterey	July 9	West Coast	672
Saracen	July 12	West Coast	3,360
Mariposa	July 30	West Coast	672

Argentina To Export Beef to Poland

The Argentine Meat Producer's Corporation reports that Argentina will soon make its first beef shipments—15,000 tons of frozen beef—to Poland.

The firm pointed out the importance of developing new markets because of the increasing difficulty in maintaining traditional ones.

Argentine Flaxseed Support Price Raised

The Argentine Government announced on June 19 that the support price for 1963-64 flaxseed would be 1,200 pesos per 100 kilos ($2.23 per bushel, converted at the current rate of one peso equivalent to about 0.73 U.S. cents) in bags, Buenos Aires Port. The support level for the 1962-63 crop was set at 900 pesos in May 1962, raised to 925 pesos in August, and raised again to 1,000 pesos in December. On the basis of the rate of one peso, equivalent to about 0.66 cents, as of mid-December 1962 the 1,000-peso support was equivalent to about $1.68 per bushel, but at the mid-June 1963 rate of about 0.73 cents it would be equivalent to $1.85 per bushel.

The support price for linseed oil has been set at 23 pesos per kilo (7.6 cents per pound at 1 peso equivalent to about 0.73 cents) in bulk, compared with 19.5 pesos (6.5 cents) previously. The market price as of June 19 for flaxseed was 1,265 pesos per quintal ($2.35 per bushel) and for linseed oil, 21 pesos per kilo (7.0 cents per pound).

The Argentine Grain Board reportedly is studying a plan to eliminate the export quota system for flaxseed and to replace it with a differential export tax system which would favor oil exports and eliminate the need for direct control of seed. Domestic crushers are opposed to this plan.

Prices of edilble oilseeds and edible oils, particularly sunflower, have risen sharply during the last 2 months. Sunflower seed prices jumped from 10.3 pesos per kilo (3.4 cents per pound) to 14.8 pesos (4.9 cents) in mid-June, while peanut prices rose from 16.5 to 19.1 pesos (5.5 to 6.3 cents) during the same period. Mid-June quotations for sunflower seed and peanut oils were 41 and 36.3 pesos (13.6 and 12 cents), respectively, compared with 31.5 and 33.5 pesos (10.4 and 11.1) 2 months ago.

Tunisia Sets Minimum Prices on Olive Oil

The Tunisian Government announced in its official circular of April 3, 1963, the following minimum prices on the various grades of olive oil for exports, not including normal export charges:

Grade	Price	
	Dinars per kilogram	*Equivalent in U.S. cents per lb.*
Extra	0.350	37.8
Fine (max. 1 degree)	0.345	37.2
Bouchable (2 degrees to 3 degrees)	0.340	36.7
Lampante (3 to 5 degrees)	0.035	36.2

According to an additional circular issued on June 6, 1963, above prices also apply to sales of olive oil for domestic consumption.

Since application of these prices for export, olive oil exports have declined far below the monthly quota of 1,200 metric tons per month.

Iceland's Exports of Fish Oil

Iceland's exports of herring oil during the first quarter of 1963 declined 17 percent to 12,174 short tons. Exports in the comparable period a year ago totaled 14,701 tons.

Exports of cod liver oil (including nonfreezing, nondestearinated and industrial cod liver oil) amounted to 2,113 tons in the first quarter of this year, up from the 1,235 tons exported in January-March 1962. Exports of redfish oil totaled 71 tons in January-March 1963 against 16 tons in January-March 1962.

Japanese Rapeseed Production Declines

Japan's 1963 rapeseed crop, according to the first official estimate of June 10, is placed at 143,100 short tons. This represents a near 50-percent decline from the 272,100 tons produced in 1962 and more than a 50-percent drop from the 1955-59 average of 309,700 tons.

The decline in this year's crop, which was harvested in June, is due largely to unfavorable spring growing conditions; however, planted acreage, estimated at 354,600 acres, declined 17 percent from last year.

In view of the reduced crop of rapeseed it is expected that increased imports of other oilseeds, particularly safflowerseed and soybeans, will be needed to fulfill domestic requirements.

Nigerian Peanut Exports Rise

Nigeria's exports of peanuts and peanut products in 1962 rose over 10 percent from the previous year. In contrast, exports of palm kernels declined by more than 10 percent and exports of palm oil by 28 percent.

Peanuts and peanut products retained their position as Nigeria's prime export, accounting for one-fourth of the total value of all exports—both agricultural and non-agricultural—in 1962 and 1961. Palm kernels accounted for 10 percent of Nigeria's total trade in 1962 and palm oil 5 percent. Nigeria is the world's leading exporter of peanuts, palm kernels, and palm oil.

NIGERIA: EXPORTS OF PEANUTS, PEANUT PRODUCTS, AND PALM PRODUCTS, ANNUAL 1960-62

Commodity and country of destination	1960	1961	1962 [1]
	1,000 long tons	*1,000 long tons*	*1,000 long tons*
Peanuts (shelled):			
United Kingdom	94.5	119.1	152.4
France	71.6	110.8	76.5
Italy and Trieste	38.8	70.0	69.1
Germany, West	15.3	50.3	65.4
Netherlands	37.5	55.0	51.7
Others	74.2	88.7	114.5
Total	331.9	493.9	529.6
Peanut oil:			
United Kingdom	45.4	28.7	38.1
Netherlands	.6	8.9	4.6
Spain	—	—	5.1
Others	.6	7.6	15.1
Total	46.6	45.2	62.9
Peanut cake:			
United Kingdom	50.5	74.6	([2])
Others	2.8	.1	—
Total	53.3	74.7	88.0
Total peanuts and products	431.8	613.8	680.5
Palm kernels:			
United Kingdom	235.4	223.7	179.1
Netherlands	100.4	128.0	118.5
Others	82.4	58.9	69.0
Total	418.2	410.6	366.6
Palm oil:			
United Kingdom	147.9	128.1	82.2
Netherlands	19.2	15.9	11.4
Others	16.3	20.6	25.1
Total	183.4	164.6	118.7

[1] Preliminary. [2] Virtually all of the total.
Compiled from official sources.

Philippines To Crush Soybeans

Soybean oil and meal are now being produced commercially for the first time in the Philippines. A solvent extraction plant with an annual capacity of around 32,000 short tons of soybeans was established recently near Manila by a local feed manufacturer.

This plant is not expected to operate at full capacity this year. Its operation, however, is expected to generate grower interest in soybeans and increase consumption of both meal and oil. In the past, soybeans were not locally crushed for oil but were grown primarily for direct food consumption.

No official data are available on soybean production, since government statistics include production of soybeans in the general category of dried beans. Local production, however, is not expected to satisfy the overall requirements of this solvent plant within the next few years. Therefore, larger imports will be required initially.

Imports of soybeans, largely from the United States, declined sharply in 1962 to 143 short tons from 1,477 tons the year before, owing to a substantial rise in domestic output.

Ceylon's Exports of Desiccated Coconut

Ceylon's exports of desiccated coconut during 1962 were 1 percent larger than in 1961. As in prior years, the bulk of the shipments of desiccated coconut was consigned to Western Europe, particularly the United Kingdom. Also, for the first time, a significant quantity was exported to Eastern Germany.

DESICCATED COCONUT: CEYLON, EXPORTS BY COUNTRY OF DESTINATION, ANNUAL 1961 AND 1962

Country of destination	1961 [1]	1962 [1]
	Tons	*Tons*
North America:		
Canada	2,909	2,831
Other	219	30
Total	3,128	2,861
South America	1,038	493
Western Europe:		
Belgium	1,398	1,288
Denmark	1,256	1,337
France	1,060	1,002
Germany, West	10,750	7,891
Italy	1,048	1,123
Netherlands	3,272	3,073
Sweden	1,384	1,190
United Kingdom	18,575	21,146
Other	1,626	2,276
Total	40,369	40,596
Eastern Europe	165	[2] 3,118
Africa:		
Republic of South Africa	1,433	1,305
Other	1,059	890
Total	2,492	2,195
Asia	1,827	1,927
Oceania:		
Australia	3,962	3,185
Other	1,167	539
Total	5,129	3,724
Grand total	54,148	54,914

[1] Preliminary. [2] Of which, Eastern Germany 2,679.
Compiled from official sources.

Philippine Desiccated Coconut Exports

Registered exports of desiccated coconut from the Philippine Republic in May totaled 5,932 short tons; in May 1962, they were 5,603 tons.

Exports duing January-May 1963 amounted to 22,122 tons—an increase from the 19,489 tons exported in the first 5 months of 1962. Shipments to the United States reached 18,283 tons, compared with 16,802 tons in January-May 1962.

Burma To Control Peanut Crop

According to the Burmese press, the purchase and price of peanuts in Burma in 1963-64 will be controlled by the government. Effective purchase and price control prob-

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ably will necessitate the government's taking over milling and distribution, including foreign exports.

This measure is one of a series in which controls have been imposed on rice, tobacco, wheat, fruits and vegetables, and pulses.

U.K.'s Trade in Canned Milk Declines

Exports of condensed milk from the United Kingdom in 1962, at 44 million pounds, were 28 percent below 1961 and at the lowest level reported for 4 years. This decline mainly reflected a sharp reduction in sales to Malaya and Singapore, which account for about 68 percent of total exports. In 1962, shipments to these countries were down to 29 million pounds from 47 million in the preceding year.

Sales of evaporated milk rose by 29 percent to 35 million pounds and represented the heaviest sales since 1959. This increase was due largely to an expansion in trade with the Philippine Republic, the largest single outlet in 1962, which took 10 million pounds. A year earlier, sales to the Philippines were only 370,000 pounds.

Total imports of canned milk—21 million pounds—were about 1 million pounds smaller than those for 1961, with imports of each type being lower. A reduction in shipments from the Netherlands, the chief supplier, from 17 million pounds to 14 million, accounted for most of this decline.

Malagasy's Lima Beam Production Normal

The 1963 lima bean harvest in Malagasy, which was begun about July 1, is expected to total approximately 12,000 metric tons. This is about normal compared with the 1955-59 average of 12,650 tons. No estimate has yet been received of the low 1962 output in Malagasy, but the 1961 estimate was placed officially at 11,960 tons. The 1963 plantings were damaged by floods, but a second seeding was accomplished in April for which soil moisture is reportedly excellent.

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